B2B paid search forecast: What to expect in 2021

30-second summary:

- Google surprised marketers with a few changes in 2020 – an updated search query report, new ad extensions, and new audience targeting, to name a few – which forced advertisers to adjust their SEM strategies and tactics in order to maintain or increase their ROI.
- B2B advertisers are testing and investing in different campaign types besides the traditional search and display campaigns, and are seeing good performance with Discovery Campaigns.
- In the wake of the changes Google made to the search query report in September, Dynamic Search Ads can complement existing search campaigns and improve CTR, CPC, and ROAS.
- Expect to see higher adoption of auction-time bidding, dynamic extensions, and dynamic search ads.

2020 was a tough year for many industries, but for the B2B industry, demand remained strong. Paid search budgets increased in many cases, as B2B companies invested more in digital marketing. The end of Q1 hurt performance, but things started to normalize in Q2, and we observed the usual seasonality the rest of the year.

In addition to the pandemic, Google also surprised us with a few changes – an updated search query report, new ad extensions, and new audience targeting, to name a few. All such changes forced advertisers to adjust their SEM strategies

and tactics in order to maintain or increase their ROI.

After an eventful 2020, here are 6 PPC trends B2B advertisers should watch in 2021:

1. SEM campaigns diversify

Given the high competition in the B2B space, advertisers need to differentiate themselves in order to get their target audience's attention and drive demand. B2B advertisers are testing and investing in different campaign types besides the traditional search and display campaigns. B2B advertisers are seeing a good performance with Discovery Campaigns – with CTR higher than display, and CPL more efficient than search – so we expect them to increase their investment in this campaign type in 2021.

Quick tip

When launching Discovery Campaigns, be patient. Let them run for a couple of weeks without making changes as the bidding algorithm is learning during that period and you will see fluctuations in all metrics. After that, you can prioritize the audiences that are performing well. Performance improves consistently after 4-5 weeks of launch.

2. Dynamic Search Ads (DSA) gain in popularity

DSA campaigns will become even more popular with B2B advertisers after the changes Google made to the search query report in September 2020. Now that the report includes only terms that a significant number of users searched for, and with advertisers losing visibility into low-volume keywords that drive traffic and can generate leads, DSA campaigns offer an efficient way to find new keywords. Their search query reports can help reveal gaps in keyword coverage. DSA can

complement your existing search campaigns and improve CTR, CPC, and ROAS.

Quick tip

For lead generation accounts that have strict lead and CPL goals, create separate campaigns for DSA so you have more control over the budget. Start by targeting your SEM landing pages so you can have some control over potential queries and headlines.

3. PPC managers embrace automation

More B2B advertisers are using automation tools and machine learning in order to improve performance, increase efficiency, and save time. Some of our favorite automated features – automated bidding strategies, responsive search ads, and the optimize ad rotation in Google Ads – will continue to gain popularity in 2021. We should also expect to see higher adoption of auction-time bidding, dynamic extensions, and dynamic search ads as B2B advertisers seek to optimize and scale their paid search campaigns.

Quick tip

When evaluating automated bidding strategies for lead generation accounts, don’t worry about higher CPCs as you will likely be paying more for higher quality clicks. If you are seeing a high volume of leads at a low CPL, you are going in the right direction. And always set your target CPA based on the last 30 days’ average, even if it is higher than your goal. Otherwise, you will see a decrease in lead volume.

4. YouTube ad investment increases

Online video ads have become more important for B2B marketers during COVID-19 times. B2B buyers are using online video ads

more often to inform purchase decisions: 64% of B2B buyers have increased their use of online video and 51% have increased their use of search, according to eMarketer. We expect B2B advertisers to increase their YouTube investment in 2021 and to launch video campaigns both to generate brand awareness and to generate leads. In addition, B2B advertisers will invest more in creating video content – and YouTubes' new betas will make that content easier to create.

Quick tip

For a full-funnel video strategy, prioritize videos that are 6-, 15- and 30-seconds long as short videos engage users the most. Also, avoid salesy videos and try to create videos that show the personality of your brand so you can connect with your audience.

5. Mobile investment drops

Lower mobility driven by COVID-19 has decreased the number of mobile buyers while increasing time in front of computers, leading to strong desktop growth. During the pandemic, paid search desktop traffic is up 60%, while mobile traffic has dropped 7% compared to the pre-COVID period. Moreover, the conversion rate for desktop has increased by 4% while the conversion rate for mobile decreased by almost 19%.

Quick tip

Leverage automated bidding strategies to save time and prioritize the devices that are performing best. And don't forget to look at the assisted conversions report when evaluating mobile performance if you are still using last-click attribution.

6. Paid search messaging becomes increasingly customer-centric

B2B buyers are looking for new solutions as they accelerate purchases, and are expecting more from their solution providers according to the 2020 B2B Buyer Behavior Study. So, we'll see more ads from B2B companies highlighting features, functionality, customer support services, product training, and implementation support in order to attract and engage B2B buyers. For successful SEM campaigns, promoting relevant content that speaks to industry needs will be a must.

Quick tip

If you have lead generation campaigns and prefer to drive traffic to a landing page with a form, use site links and callouts to highlight the additional services or training you have available for your customers.

With new campaign types and messaging to test, and more automation features and tools at hand, 2021 promises to be fun for B2B advertisers.

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More about:

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